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Alex Sauickie

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Q&A: Alex Sauickie, CEO of AdvicePay

The newly-appointed advice tech executive talks about how he got started in politics, how this work intersects with his new role, his thoughts on the fee-for-service model debate and his vision for the future of the advisor billing software company.

Rob Burgess | Jul 26, 2023

AdvicePay—the Bozeman, Mont.-based billing and payment system for financial advisors—on Tuesday named Alex Sauickie its next CEO.

The announcement follows news from February when Alan Moore—the then-CEO of AdvicePay and XY Planning Network, an organization of fee-only financial advisors who specialize in working with Gen X and Y clients—posted on LinkedIn he would be leaving his position at AdvicePay, which he co-founded with Michael Kitces in 2016, and moving into the role of executive chairman of the board.

The firm originally launched as a tool to handle billing for advisor members of the XY Planning Network who charged monthly retainer fees. Since then, an enterprise version of the service has expanded to larger clients, like Cetera Financial Group, Cambridge Investment Research, Kestra Financial

and LPL Financial, as well as being integrated with Envestnet | MoneyGuide.

In April 2021, AdvicePay added a new feature called Deliverables, an oversight service that is part of its core offering, helping enterprises to systematically track, report and manage the financial planning documentation produced by their advisors. That feature's launch came just days after the firm celebrated \$100 million in financial planning fees having passed through the platform. Later that year, the startup added "Engagements" to its platform, designed to make it easier to standardize custom workflows at enterprises, as they track deliverables and offer support for advisors who have fee-for-service offerings, such as financial planning.

AdvicePay has raised a total of \$3.8 million in funding over four rounds, according to Crunchbase.com, and in the past two years, has more than doubled the number of advisors on the platform. It ranked No. 636 among America's fastest-growing private companies on the Inc. 5000 list in 2022 and No. 1 in Montana.

New CEO Sauickie was previously global head of wealth and retirement services at FIS, with earlier tenures as president and CEO of CircleBlack. He was president and COO of Scivantage, and held leadership roles at Paytrust and Billtrust. Sauickie is also a politician, serving in the New Jersey General Assembly since last year after being appointed to represent District 12 as a Republican.

He took the time to talk with *WealthManagement.com* about how he got started in politics, how this work intersects with his new role, his thoughts on the fee-for-service model debate, his vision for the future and more.

WealthManagement.com: You were appointed to the New Jersey General Assembly almost exactly a year ago, but you were a local politician for several years before that. Why did you decide to get into politics in the first place?

Alex Sauickie: I believe in giving back and I look at it as a civic duty. I got involved in my hometown because, frankly, I was sick of complaining about how I thought things were going. So, I ran for (Jackson Township Council in Ocean County, N.J.) I also did it with the support of the company that I was at at the time. The team really got behind it. The culture at that company, very much like AdvicePay, is very much giving back to the community, whether it's volunteering or otherwise. I had the support of the company I was at. I've continued to have that support throughout my career. It's just something I felt was a good thing to do and try to help people, ultimately. I

don't look at myself as a long-term politician. I look at the role as something to really just help the residents I represent.

WM: What has this experience in the New Jersey General Assembly been like this past year? What challenges have you encountered? And how does this experience working as a local and state politician inform how you will take on this new role?

AS: I think they can be complementary. I don't consider myself to be very political. You really won't hear me talk about one side versus another. I represent the views of the people that I represent. The difference between local and state: Certainly, you represent more constituents and certainly can influence the lives of more (people). So, if you introduce a bill that becomes law, for example, in New Jersey, you're potentially helping 9 million people. So, it's an honor and it's also a responsibility that I take seriously. It is part time. So, it doesn't take up a tremendous amount of time. Every elected official that I know has a private sector role because the elected positions are part-time roles. Everybody has to balance the private-sector job versus the job of an assemblyman or elected official.

WM: Since AdvicePay is based in Montana and you're obviously in New Jersey, are you planning on relocating, or will you stay where you're at and work remotely? And if you're splitting your time is this something you're planning on doing for the long haul or is this just a temporary arrangement?

AS: I'm going to navigate it like most people do. With the world the way it is now, most of us are remote. I don't plan on relocating. I will be remote. However, I expect because I want to be on-site when I can in the Bozeman office. I believe it's important to be on-site, as well. I think you achieve a lot when you get to have some face time with the team. I've had to travel extensively in my career. If anything, I've probably lightened my travel load in the last couple of years. So, traveling for business, wherever it might be, has never been a challenge for me and is just something I balance against the schedules I have for other things, including the (New Jersey General) Assembly side. I don't expect there will be any kind of concern there.

WM: So, you'll be running for reelection, then? If so, what issues will you be highlighting in your campaign?

AS: I was appointed under unfortunate circumstances. The gentleman that held the role before me passed away while in office. I was appointed and then I ran in a special election. I was the only member of the (New Jersey) General Assembly in November of last year to be on the ballot because I had to run to finish the term of one year. And I am on the ballot to run for a full two-year term this year.

Always job creation. And you'd asked earlier about the two and how they worked together. I think working at an early-stage company and the need to create jobs within the state or even country is important. I like the fact that those two tend to go hand in hand. If you grow a company (and) it does well, obviously, we can employ more folks. And the policies that I tend to work on focus on that as well. I expect that will be a big thing.

WM: Tell me about your thought process regarding this new job. Did you feel your vision for the company aligned with its current leadership team when you interviewed?

AS: This really is, for me, the bigger story. It's a company ... that I've known for years. I've admired AdvicePay for several years. I love what they do. And I love what we are about to do moving forward. It solves a problem for advisors: A need to engage with their investors, a need to generate revenue, a need to be efficient and a need to be compliant. Those are really the four big boxes that AdvicePay checks. It's not to say there isn't any competition, but I really believe that they have been out front in leading the charge on fee-for-service and offering a solution to a problem that's existed for several years. It was a company I knew. When the opportunity opened to throw my hat in the ring for the CEO role ... as I told the team internally, it wasn't a role for me, it was the role. I mean that because I think it's a great fit in terms of what I think the company can do going forward. And I've come to learn pretty quickly that the company culture is exactly the type of one that I thrive in and I think frankly companies thrive in. It encourages innovation. It encourages a balance of quality of life and giving back to the community.

WM: AdvicePay was one of the first firms to create billing software that was not pure AUM-based. This seems geared toward accommodating younger advisors who have gravitated toward other payment models. I know this has been a flashpoint in recent years about the best way to charge. What are your thoughts about this trend?

AS: First off, I think it was a necessary thing to be addressed. AUM models are AUM models and there are certainly solutions that can support AUM models. However, you touched on it, there are next-generation advisors. There's the transformation of wealth that we've all been talking about for several years now. AdvicePay offers an alternative model and one that clearly has been welcomed by the industry. Our focus will continue to be on the advisor. It was built for advisors, and it will continue to be focused on how we offer the services within the application that the advisor needs. How we become and continue to stay efficient. We certainly want an intuitive, efficient product for the advisor, because one of the big boxes we check is to give them time back. And continue to provide a way to engage with their investors. And to generate revenue for their practice in a way

that it's a win-win for everybody. The investor chooses to use AdvicePay. And it's being very well received by both advisors and investors.

WM: AdvicePay started out catering to individual advisors but has expanded to larger institutions. What strains do you see this shift placing on the business?

AS: This is where the excitement is for me. I've gone through that life cycle more than once dating back to when I was at Albridge Solutions and we very much started the same way. It was with the advisor in mind, with the investor, but then we did start to get into supporting larger financial institutions like banks, broker/dealers and insurance companies. There are things to think about there, including, for example, if you're going to have a large financial institution as your client in support of their advisors, that large institution may have needs that the advisor, frankly, doesn't. For example, institution-level reporting. Where somebody in the home office, maybe even up to the C-level, can report across the platform and understand what's going on in a particular region or an OSJ or an office, not just on the individual advisor level. There may be analytics and trends that come with that. So, those are things that we will continue to think about as we see a lot of momentum with enterprise-level opportunities. We'll always keep the advisor in mind. It was built for advisors. But certainly, as we're getting more interest from the large institutions, we'll continue to hear feedback from them and add features that will be needed for them, as well.

WM: AdvicePay has grown substantially, nearly doubling the number of employees over the past year. Do you plan to continue that pace?

AS: We'll grow smartly. One of the things I've learned in my career dating back to the dot-com boom, is it's important to be fiscally responsible, as well. We'll continue to be fiscally responsible within the company. We'll grow in areas that need growth. A lot of people talk about the right people in the right seats. I've written a blog about making sure you have the right seats. So, it's one thing to get the right people and put them in seats, but you also want to make sure the seats are the correct seats. So, we'll continue to focus on that.

Concerning growth, I expect we will continue to grow at a pretty good pace. It seems like the demand from the advisors as well as the enterprise opportunities is there. And we'll work on ways to ensure we educate potential clients with what we do. And also, being in a position to meet their needs in terms of the time frame to roll this out to their teams. We're looking to be a strategic partner, not just a vendor, so we think that way and how we can strategically help a large firm and do well by their advisors.

WM: Previous CEO Alan Moore has vacated that position and will become the executive chairman of the board. Tell me about the discussions you've had with both Alan and (co-founder) Michael Kitces. What specific plans have you discussed?

AS: I feel like I've hit the lottery to have those two gentlemen as board members and arguably the two biggest thought leaders, certainly in fee-for-service, if not the industry. You have two people that really know the space. Two people that, if I need to reach out and get their thoughts on it, are only an asset for me as I lead the company forward. ... Having them on the board is going to be a great thing. I expect we're going to work really well together. And again, for me taking over as CEO, it's really just a great opportunity to be able to work together with those two folks.

WM: What is the best piece of advice you've ever received?

AS: I've worked for a lot of founders in the past. I've worked for founders who have succeeded and I've worked for founders that have failed. And you know a failure, you can learn a lot from. The advice I got was, "Be true to the budget and be very fiscally responsible in how you operate." And that's good for everybody, including all your employees and your clients. I've really tried to be true to that as I've moved forward and expect to do the same here.